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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

M/037/003

October 7, 1988

TO: Board of Oil, Gas and Mining

THRU: Kenneth E. May, Associate Director, Mining *WLB for REM*

THRU: Lowell P. Braxton, Administrator *LOB*

FROM: Holland Shepherd, Reclamation Soils Specialist *HLS*

RE: Request for Board Concurrence on Form and Amount of Surety, for the Transfer of Atlas Minerals' Mines to Energy Fuels, Far West, M/037/019 and Patti Ann, M/037/003, San Juan County, Utah

Energy Fuels Nuclear, Inc. has arranged with Atlas Minerals to assume four sites: the Far West, the Patti Ann, the Standard II, and the Ivy. All four sites are currently covered by a Board Contract with Atlas. Only two sites are over 5 acres, the Far West, and the Patti Ann, and therefore require bonding.

Energy Fuels has submitted the attached bonding and permit transfer information for Division approval. The bond amounts are based on estimates (attached) developed by Frank Filas. The bond estimates are less than the original Atlas figures because of a reduction in actual disturbed acreage. The original permit for the Far West indicated that 23 acres of disturbance would occur. Only 15 acres have actually been disturbed. The Patti Ann's disturbed acreage has been reduced from 10 to 9.4.

We have waived the requirement for a Reclamation Agreement (Form MR-RA) required under item #4 of the permit transfer form. These forms are not yet ready for use.

jb
Attachments
4/39

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

TRANSFER OF NOTICE OF INTENTION
LARGE MINING OPERATIONS

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1. (a) Notice of intention to be transferred (file number): ACT/037/003
(b) Name of mining operation: Patti Ann Mine
(c) Location of mining operation (county): San Juan County
(d) Name, telephone number and mailing address of the operator currently holding the notice of intention (transferor):
Atlas Minerals
743 Horizon Court, Suite 202
Grand Junction, CO 81506 (303) 243-5800
2. (a) Name, telephone number and mailing address of the operator acquiring the notice of intention (transferee):
Energy Fuels Nuclear, Inc.
1200 17th Street, Suite 2500
Denver, CO 80202 (303) 623-8317
(b) Name, telephone number and address of the authorized representatives of the Transferee to whom any notices under the provisions of the Utah Mined Land Reclamation Act may be sent:
M. D. Vincelette, Vice President, Operations
Energy Fuels Nuclear, Inc.
1200 17th St., Suite 2500, Denver CO 80202 (303) 623-8317
3. (a) The total disturbed area identified in the approved notice of intention: 5.75 acres
(b) The actual number of acres disturbed by the operation through date of transfer: _____
(c) Attach a legal description of above acreages as Appendix "A" and a map of suitable scale with actual disturbed areas clearly shown and identified.
4. This application must be accompanied by a fully executed and signed Reclamation Agreement (Form MR-RA).

The Division waives this requirement, at this time.

LNB 10/7-88
Lowell P. Braxton, Administrator

SWORN STATEMENT OF TRANSFEROR

I, Robert T. Exby being first duly sworn under oath,
deposes and says that I am Vice President, Finance
(officer or agent)
of Atlas Minerals, a Division
of Atlas Corporation; and that I am duly authorized to
(operator)

execute and deliver the foregoing obligations; that I have read the said application and fully know the contents thereof; that all statements contained in the transfer application are true and correct to the best of my knowledge and belief. By execution of this statement I certify that the Transferor is in full compliance with the Utah Mined Land Reclamation Act, the Rules and Regulations promulgated thereunder, and the terms and conditions of Notice of Intention No. ACT/037/003.

Robert Feyby

Signature

Robert T. Exby

Name (Typed or Print)
Vice President, Finance

Title

Subscribed and sworn before me this 3rd day of August, 1988.

Anne B. Nichols

Notary Public

My commission Expires:

September 23, 1989.

State of Colorado)
) ss.
County of Mesa)

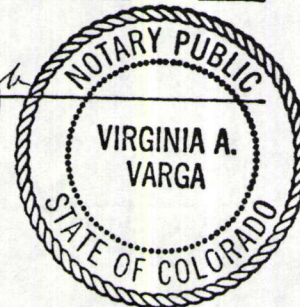
FINAL SWORN STATEMENT OF TRANSFEREE

M. D. Vincelette being first duly sworn under oath,
depose and say that I am Vice President, Operations
(officer or agent)
of Energy Fuels Nuclear, Inc.; and that I am duly authorized to
(operator)
execute and deliver the foregoing obligations; that I have read the
application and fully understand the contents thereof; that all statements
contained in the transfer application are true and correct to the best of my
knowledge and belief. By execution of this statement, the Transferee agrees
to be bound by the terms and conditions of Notice of Intention
No. ACT/037/003, the Utah Mined Land Reclamation Act, and the Rules and
Regulations promulgated thereunder.

M D Vincelette
Signature
M. D. Vincelette
Name (Typed or Print)
Vice President, Operations
Title

Subscribed and sworn before me this 3rd day of October, 1988.

Virginia A. Varga
Notary Public



My commission Expires:

7/30, 1991.

State of Colorado)
City of Denver) ss.
County of Denver)

CERTIFICATION OF APPROVAL

This is to certify that I have examined the foregoing application and do hereby grant the same, subject to the following limitations and conditions:

- (a) This transfer of notice of intention grants only the right to affect the lands described in Appendix "A".
- (b) The transferee has provided to the Division a fully executed and signed Reclamation Agreement (Form MR-RA). The surety shall be effective on the date of transfer.
- (c) The transferee, or such other person as required by UCA 1953, Title 40-8, has acquired legal right to mine for lands described in Appendix "A".

COMMENTS:

APPROVED: _____

(Signature)

Director, Division of Oil, Gas and Mining

Effective Date: _____

NOI No.: _____

APPROVED AS TO FORM:

A. ANNOCY

(Signature)

Assistant Attorney General

APPENDIX A

PATTI ANN MINE

LEGAL DESCRIPTION

Section(s) 33 Township(s) 29S Range(s) 24E

Patti Ann, M/037/003

Description:

The site covers 9.4 acres. A shaft and decline will have to be sealed. Two buildings will have to be removed and the foundations broken up and buried. The sides of main pad/waste dump have good vegetative growth and regrading of this area is not recommended. Most of the reclamation cost will be associated with regrading and topsoiling of the low grade ore stockpile and a small waste dump on top of the main pad. Rio Algom has recently removed some of the low grade ore which should reduce the reclamation cost further.

<u>Item</u>	<u>Amount</u>	<u>Rate</u>	<u>Cost</u>
Remove Structures and Debris	2 buildings & Substation	lump sum (assume some salvage)	\$3,000
Backfill Portal and Shaft		lump sum	\$1,000
Regrade Ore Stockpile & Waste Dump	24 hrs. D-6	\$100/hr	\$2,400
Haul in soil and cover stockpile and dump	6,000 yds.	\$1.50/yd	\$9,000
Rip & seed 9.4 acres plus 2 acre borrow areas	D-6 and two laborers 24 hrs.	\$130/hr	\$3,100
Seed	11.4 acres	\$70/ac.	\$,800
		Subtotal	\$19,300
		10% Contingency	\$1,900
		Total in 1988 \$	\$21,200
		Escalation (2.3% for 5 years)	\$2,600
		Total in 1993 \$	\$23,800